

AIR QUALITY FUND

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The Air Quality Fund was established in FY/95 to comply with the Federal Clean Air Act Amendments of 1990. The Air Quality Fund is comprised of the Operating Permits Program and the Vehicle Pollution Management Program. The Operating Permits Program regulates the manner in which all industrial and commercial sources of air pollutants operate, while the Vehicle Pollution Management Program administers the motor vehicle inspection/maintenance and oxy fuels programs.

MISSION

To protect and enhance air quality for current and future generations and thereby protect public health, economic well-being and aesthetic values for the community by limiting impacts to air quality by industrial and other sources, as well as by minimizing harmful vehicle emissions through the design and operation of cost-effective prevention and control programs.

FISCAL YEAR 2004 HIGHLIGHTS

OPERATING PERMITS

The proposed FY/04 budget includes a rate increase for topsoil disturbance effective July 2003. The current rate is a flat fee of \$100 per acre. Under the proposed rate increase, the fee would be \$125 per acre for up to 10 acres, \$250 per acre for acreage over 10 and up to 25, and \$500 per acre for acreage in excess of 25. This increase was originally planned for January of FY/03 but implementation was delayed until the beginning of FY/04 due to the Air Board's request for an increased period of time for public/business input. The City is estimating additional revenues of \$112 thousand from this rate increase.

Although there was no increase for air quality permits, revised local fee regulations resulted in an increase of \$260 thousand for FY/03. Under the previous regulation, industries were allowed to reserve emission tons for possible use and pay only for what was used. The revised regulation now requires industries to pay for all emission tons reserved regardless of use.

The FY/04 budget reflects the transition of 3 positions from the Air Quality Operating Grant to the Air Quality Operating Permits program to assist with permitting, compliance and outreach. A one-time appropriation of \$50 thousand for an audit requested by the Air Quality Control Board is included in the proposed budget. In addition, the proposed budget includes funding for a replacement vehicle and replacement computers.

VEHICLE POLLUTION

An increase of \$1 for certified paper sales is included in the proposed FY/04 budget. This increase is expected to bring in \$114 thousand in additional revenues in FY/04. The current rate has been \$4 per certificate since FY/98 when council lowered the price per certificate from \$4.50 with the intention of reducing the fund balance in the program. The fund balance is now at a level where an increase is warranted. The implementation of the increase is scheduled to coincide with the Federal law requiring on-board diagnostics testing be incorporated into the vehicle emission testing program by January 2004. Vendors, as well as the City, will be required to upgrade their equipment.

Overall, there is a slight increase of 3% in appropriations over FY/03 for the VPMD. This is due to one-time appropriations for vehicle replacement and replacement of a portable gas chromatograph for the Oxygenated Fuels program.

(\$000's)	ACTUAL FY/02	ORIGINAL BUDGET FY/03	REVISED BUDGET FY/03	ESTIMATED ACTUAL FY/03	PROPOSED BUDGET FY/04	PROP. 04/ ORIG. 03 CHG
PROGRAM STRATEGY SUMMARY BY GOAL:						
GOAL 5: ENVIRONMENTAL PROTECTION & ENHANCEMENT						
AIR QUALITY FUND - 242						
Operating Permits - 242	605	697	697	626	1,023	326
Vehicle Pollution Management - 242	1,025	1,196	1,196	1,140	1,228	32
Trfr from Fund 242 to Fund 110	62	99	99	99	115	16
Total Air Quality Fund - 242	1,692	1,992	1,992	1,865	2,366	374
TOTAL - GOAL 5	1,692	1,992	1,992	1,865	2,366	374
TOTAL APPROPRIATIONS	1,692	1,992	1,992	1,865	2,366	374
TOTAL FULL TIME POSITIONS	27	27	27	27	30	3

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AIR QUALITY FUND 242 Resources, Appropriations, and Unrestricted Fund Balance

(\$000's)	ACTUAL FY/02	ORIGINAL BUDGET FY/03	REVISED BUDGET FY/03	ESTIMATED ACTUAL FY/03	PROPOSED BUDGET FY/04	PROP. 04/ ORIG. 03 CHG
RESOURCES:						
Miscellaneous Revenues	19	0	0	30	0	0
Charges for Services	1,754	1,935	1,935	1,930	2,161	226
Total Current Resources	1,773	1,935	1,935	1,960	2,161	226
Beginning Fund Balance	691	772	772	772	867	95
TOTAL RESOURCES	2,464	2,707	2,707	2,732	3,028	321
APPROPRIATIONS:						
Operating Appropriation	1,630	1,893	1,893	1,766	2,251	358
Transfer to Other Funds	62	99	99	99	115	16
TOTAL APPROPRIATIONS	1,692	1,992	1,992	1,865	2,366	374
FUND BALANCE PER CAFR	772	715	715	867	662	(53)
ADJUSTMENTS TO FUND BALANCE	(3)	(3)	(3)	(3)	(3)	0
AVAILABLE FUND BALANCE	769	712	712	864	659	(53)